



International Cooperation Programs

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Objectives of International Cooperation (IC)

Operational

Achieve interoperability that facilitates combined operations, reduces operational hazards and minimizes OPSEC compromises

Political

Strengthen alliances and other relationships with friendly countries; encourage willingness to act collectively; promote international legitimacy in coalition operations

Economical

Reduce U.S. costs for short and long-term support of fielded systems (e.g. foreign sales reduce U.S. unit costs; cooperative programs reduce U.S. share of new developments.)

Technical

Ensure U.S. access to the best global technologies; help minimize capabilities gap with allies/coalition partners

Industrial

Bolster domestic and allied defense industrial base



USD(AT&L) Role in IC

- Promotes IC programs with National Armaments Directors (NADs) of allied and friendly nations
- Engages in ongoing discussions with NAD counterparts on key IC programs:
 - Five Power, Conference on National Armament Directors (CNAD), and Bilateral meeting interactions
 - Personal involvement and commitment to program success leads to enhanced program stability
- USD(AT&L) highlighted the Maritime Surveillance cooperative opportunity to his counterparts earlier this year



Cooperative Program Examples

- Multifunctional Information Distribution System (MIDS)
- Medium Extended Air Defense System (MEADS)
- Joint Strike Fighter (JSF)

“We have partners who are unsurpassed in communications development, others in sensor technology, or surveillance systems and ground stations...If each member had to develop each capability by themselves, their products would not be nearly as good, and the aggregated costs would be staggering.”

-USD(AT&L) E.C. “Pete”

Aldridge



Multifunctional Information Distribution System (MIDS)

MIDS (fighter-sized LINK 16 capability) - Cooperative development program since its inception

- **Current Int'l Partners:** France, Italy, Germany, and Spain
- **EMD Phase:** MOU signed in early 90s -- total value ~\$500M -- cost share = US (41%)/FR(26.5%)/IT (18%)/GE (7.5%)/ SP (7%)
- **Production MOU:** MOU Supplement 3 (production) signed Dec 00- shared (non-recurring) costs = \$135M; projected production requirements = 2700 units (~\$200K per unit)
- **Current Status:** U.S. and foreign LRIP contracts awarded; FY05 transatlantic competition between US and European-led industrial teams

High level of USD(AT&L) support of this Navy program



Medium Extended Air Defense System (MEADS)

MEADS -Army's next-generation mobile, land based TMD system-cooperative development program since inception

- **Current Int'l Partners:** Italy and Germany
- **Project Definition and Validation Phase:** MOU signed in 1996 -- total value ~\$190M -- cost share = US (60%)/GE (25%)/IT (15%)
- **Risk Reduction Effort:** MOU Amendment entered into effect June 2001 -- total value ~\$230M -- cost share = US (55%)/GE (28%)/IT (17%)

Current Status: DoD proposing to combine and restructure
➡ MEADS and PATRIOT cooperation with Italy and Germany

High level of USD(AT&L) support of this MDA/Army program from the mid-90s essential in program



Joint Strike Fighter (JSF)

JSF - Cooperative development program since its inception

➤ **Concept Demo Phase Int'l Participation:** *Partners* = UK, Denmark (DE), Netherlands (NL), Norway (NO), Italy (IT), Canada (CA), Turkey (TK), Australia (AS) -- *FMS* = Singapore (SN) and Israel (IS))

➤ **SDD Phase Partners:** Level I = *UK* (\$2B); Level II = *IT* (\$1B), *NE* (\$800M); Level III = *TK* (\$175M), *CA* (\$150M), *Australia (AS)* (\$150M), *DE* (\$125M) *NO* (\$125M)

Current Status: Cooperative production and support concept discussions will begin this summer



Lessons Learned from “JSF Model”

<i>Key Elements for International System Development Cooperation</i>		<i>Maritime Surveillance</i>
1. Begin cooperation early in development		✓
2. Develop and pursue an asymmetric contributions and benefits approach tailored to your program’s structure, objectives, and scope that provides options for partner investment in the program		✓
3. Use an international agreement approach (for multilateral cooperation) that allows you to move forward with one or two key partners early on, yet allows other partners to join later (when they are ready).		✓



Lessons Learned from “JSF Model”

<i>Key Elements for International System Development Cooperation</i>		<i>Maritime Surveillance</i>
4. Employ a “best value” contracting that provides maximum benefits to all partner nations (despite its implementation challenges).		<i>In-process</i>
5. Develop and achieve consensus on your proposed approach to avoid foreign disclosure or foreign policy ‘roadblocks’ during international business strategy implementation		<i>In-process</i>
6. Build trust and effective working relationship with partner nations, and demonstrate “value for money” invested, during early development phases.		<i>In-process</i>



Conclusion

- From an AT&L perspective, international development cooperation:
 - Enables foreign contributions, technology, and expertise which benefit all participating nations
 - Enhances warfighting interoperability and political-military relationship with allied and friendly nations
 - Increases overall program stability
- “JSF Model” provides DoD, Allied and Friendly nations, and U.S. and foreign industry with an effective way to:
 - Develop and pursue international system development cooperation
 - Achieve cost, schedule and, performance objectives for partner nations